

11-15

Pilot Gold Inc. (PLG-TSX) (“Pilot Gold” or the “Company”) reports financial results for the three and six months ended June 30, 2011, and provides a review of exploration activities on our gold, silver and copper projects.

“With a carefully managed treasury of almost \$28 million in cash and short-term investments, no debt, and the proven track record of our technical team, we are well positioned to advance our portfolio of projects in Türkiye and Nevada,” says Pilot Gold President and CEO Matt Lennox-King. “Throughout the remainder of 2011, we will explore and grow our projects with 60,000 metres of drilling and 13 drill rigs operating on eight projects.”

## HIGHLIGHTS

- Received cash of \$9.8M on April 4, 2011 pursuant to the closing of an arrangement agreement (“Fronteer Arrangement”) entered into by Pilot Gold, Fronteer Gold Inc. (“Fronteer”), and Newmont Mining Corporation.
- Trading of Pilot Gold’s common shares began on the Toronto Stock Exchange under the symbol “PLG” on April 11, 2011.
- Received \$24.5M cash and issued 8,333,334 common shares on June 14, 2011, further to the close of bought-deal financing announced May 24, 2011.
- Accelerated drilling on our key projects and initiated drilling on additional projects in our portfolio.
- Through a wholly-owned subsidiary, completed the substantive disposal on June 6, 2011 of our interests in the Aktarma and Ispir exploration properties located in northwest Türkiye to Global Resources Corporation Limited (“GRCL”), a company publicly traded and listed on the Australian Stock Exchange. As consideration, we received 4,500,000 common shares of GRCL.
- Executed an earn-in agreement with GRCL on June 27, 2011, providing an option for GRCL to earn into our Yunt Dag property, located in northwest Türkiye. We received 500,000 common shares of GRCL as initial consideration for the option.
- First pass drilling at our Brik Project in southeast Nevada intersected significant widths of gold mineralization, including 0.82 g/t Au over 35 metres.
- Continued to intersect strong gold mineralization at, and near, surface including 4.28 g/t gold over 136.2 metres at the TV Tower Project in Türkiye.
- Subsequent to period end, elected to participate at a 40%-interest in a newly established jointly-owned company with High Desert Gold Corporation (“HDG”), following HDG’s successful earn-in on the Gold Springs 2 gold property, located on the Nevada-Utah border.

Details of financial results for the three and six months ended June 30, 2011 are described in the unaudited condensed interim consolidated financial statements and corresponding Management’s Discussion and Analysis, available on SEDAR at [www.sedar.com](http://www.sedar.com). Further details on the Company’s projects and activities can be found on Pilot Gold’s website at [www.pilotgold.com](http://www.pilotgold.com). All amounts are in United States dollars, unless otherwise indicated.

## SELECTED FINANCIAL DATA

The following selected financial data is derived from our financial statements for the three- and six-months ended June 30, 2011 and 2010, as prepared in accordance with International Financial Reporting Standards ("IFRS"), with application of the continuity basis of accounting.

	Three months ended June 30,		Six months ended		June 30,
	2011	2010	2011	2010	
Loss for the period	(\$7,269,816)	(\$350,007)	(\$7,683,890)	(\$770,562)	
Loss and comprehensive loss for the period	(\$7,210,193)	(\$385,296)	(\$7,424,185)	(\$767,687)	
Basic and diluted loss per share	(\$0.30)	(\$0.01)	(\$0.30)	(\$0.03)	
	As at				
	June 30,		December 31, 2010		
	2011				
Cash and short-term investments	\$30,789,854		\$86,966		
Working capital	\$29,554,215		\$326,385		
Total assets	\$43,163,270		\$7,905,170		
Current liabilities	\$2,071,090		\$74,807		
Non-current liabilities	\$387,289		\$2,550		
Shareholder's equity	\$40,704,891		\$7,827,813		

- For the three- and six-months ended June 30, 2011, the Company recorded a loss of \$7.27 million and \$7.68 million, compared to a loss of \$0.35 million and \$0.77 million for the three- and six-month periods ended June 30, 2010. Losses and comprehensive losses through June 30, 2011 reflect primarily the \$4.93 million non-cash stock-based compensation expense related to our initial stock option grant, as well as costs associated with the start-up and listing of the Company; including, initial listing fees, and the associated legal, advisory and audit fees. Losses through the comparative period correspond to the allocation of certain costs incurred by Fronteer, the former parent company of Pilot Gold, related to those properties and operations transferred to Pilot Gold, prior to and in connection with the close of the Fronteer Arrangement.
- Other comprehensive losses for the three- and six-months ended June 30, 2011 of \$0.06 million and \$0.26 million include the foreign exchange differences arising from the translation of foreign operations of \$0.27 million and \$0.29 million respectively, and net losses of \$0.21 and \$0.04 million on the value of the Company's investments in common shares.
- Working capital of \$29.5 million at June 30, 2011 includes \$30.8 million in cash and short-term investments, net of \$2.1 million in accounts payable and accrued liabilities. Total assets at June 30, 2011 include \$5.0 million of deferred exploration expenditures, and \$4.9 million related to our investment in associates.

## Bought deal financing

On June 14, 2011, the Company closed the offering of 8,333,334 common shares of the Company (the "Offered Shares") at a price of C\$3.00 per Offered Share (the "Issue Price") for aggregate gross proceeds of C\$25,000,002 (the "Offering") announced on May 24, 2011.

#### UPDATE ON EXPLORATION IN Türkiye

Through the six-months ended June 30, 2011, Pilot Gold continued to advance, in partnership with Teck Madencilik Sanayi Ticaret A.S. ("TMST"), an indirect subsidiary of Teck Resources Limited, the Halilaga copper-gold porphyry property and the TV Tower gold-silver-copper property, both of which are located in northwest Türkiye's Biga District. TMST is Pilot Gold's 60% joint-venture partner and operator for both projects. Through the six-months ended June 30, 2011 our share of expenditures on the Halilaga Project and the TV Tower Project, amounted to \$1.69 million.

#### Halilaga Project

Through the first six-months of 2011, Pilot Gold continued with the Phase 1, four-rig, 10,000 metre exploration / delineation drill program focused on the Central Zone of the Kestane target, and testing prominent magnetic anomalies on the remainder of the property. Approximately 11,000 metres have been completed as part of this program, providing a sound base to proceed with the additional 10,000 metres of drilling for the second half of the year.

To date, drilling at Kestane has intersected porphyry style copper-gold mineralization over a strike length of 1,200 metres, a width of 850 metres, and thicknesses of up to 600 metres. Halilaga is also endowed with a supergene enrichment zone that is locally up to 40 metres in thickness at grades of 1%-to-2% Cu.

In May 2011, we reported that ongoing drilling at Halilaga continued to intersect significant widths of copper-gold mineralization, including 0.22% copper and 0.34 grams per tonne gold over 466.7 metres. Additional drill results from July 2011 intersected 0.34% copper and 0.27 grams per tonne gold over 306.7 metres. Through the remainder of 2011, drilling will focus on infill drilling at the Kestane Zone, and will be carried out in conjunction with ongoing metallurgical and hydrological testing. A project-first NI 43-101 compliant resource estimate is expected by the end of 2011.

#### TV Tower Project

The TV Tower gold project is located approximately 20 kilometres to the northwest of Halilaga. The property is accessible by road and covers more than 67-square kilometres. Initial drill results from the Kucukdag target continue to expand the footprint of the gold mineralized zone. Results from four additional exploration holes are currently pending, while drilling continues.

Phase 1 drilling in 2010 and early 2011 tested a total of 19 core holes (4,184 metres) confirming the presence of at least two large, gold-bearing, mineralized systems at the Kucukdag and Kayali targets. Six other highly prospective zones of surface alteration and gold mineralization have been identified at TV Tower, and remain the focus of further exploration and drilling. Eight high-conviction targets have been identified with widespread epithermal to porphyry

characteristics, typical of those seen at other deposits in the Biga District.

A 15,000-metre Phase 2 drill program (Pilot Gold's share is approximately \$1.57 million) commenced in early April, 2011. Five drills are currently operating on the property. The Phase 2 program is focused on expanding the results from Kucukdag and Kayali, with exploration drilling on additional high priority targets.

## UPDATE ON EXPLORATION IN NEVADA

Pilot Gold continued to advance its principal Nevada exploration projects in the second quarter of 2011, with active exploration and drill programs on the Regent, Brik, New Boston and Viper projects

### Regent Project

Pilot Gold's 100%-owned Regent project is located in Mineral County, Nevada, on the eastern margin of the prolific Walker Lane epithermal gold-silver belt. Regent hosts an extensive low-sulphidation epithermal gold and silver mineralized system with both disseminated and high-grade vein hosted mineralization.

On April 21, 2011, we announced the start of a 10,000 metre, Phase 1 core and reverse circulation ("RC") drill program designed to expand the historic disseminated gold and silver deposit and follow-up on historic high-grade intervals. Geologic and alteration mapping and ground geophysics are underway in conjunction with the ongoing drill program, with initial metallurgical work to follow.

### Brik Project

The Brik project is located on the northern flank of the Cedar Range in east-central Lincoln County, Nevada and is comprised of 103 unpatented lode claims on land administered by the United States Bureau of Land Management.

The Brik project contains gold mineralization in a volcanic-hosted low-sulphidation quartz vein environment. Previous exploration programs identified five prospective target areas on the property, which were identified through ongoing exploration programs by Pilot Gold.

On August 3, 2011, we announced results of the Phase 1, 3,481 metre RC drill program, completed in late July 2011. Five areas were tested with 27 reverse circulation drill holes, with a new discovery at the Hidden Treasure target area generating significant near-surface gold intercepts. A second phase program is planned to commence fall 2011, as these mineralized zones remain open in all directions, indicating that there is substantial potential to increase the size of the discovery.

### Viper Project

The Viper project located in Elko County, Nevada, hosts a gold mineralized low sulphidation epithermal vein system discovered on the property in 2009 by Pilot Gold's exploration team. A

Phase 1 3,500 metre RC drill program is underway and is expected to wrap up in the fourth quarter of 2011.

#### New Boston Project

New Boston is an extensive copper-molybdenum porphyry and skarn system located in southwest Nevada. A 2,500 metre drill program is currently underway to test outcropping copper mineralization and molybdenum targets at the Blue Ribbon, New Boston and Eastern areas. Drilling is expected to be completed by late August.

#### ABOUT PILOT GOLD

Pilot Gold is a gold exploration company focused on advancing Halilaga, TV Tower and our pipeline of projects in Nevada. For more information, visit [www.pilotgold.com](http://www.pilotgold.com) or contact:

Matt Lennox-King, President & CEO  
Patrick Reid, VP Corporate Development  
Phone: 604-632-4677 or Toll Free 1-877-632-4677  
[info@pilotgold.com](mailto:info@pilotgold.com)

Our results are now being prepared in accordance with IFRS. Our accounting policies have changed and the presentation, financial statement captions and terminology used in this news release and the accompanying unaudited financial statements may differ from that used in our financial statements for the year ended December 31, 2010. The new policies have been consistently applied to all of the periods presented in this news release and all prior period information has been restated or reclassified for comparative purposes unless otherwise noted. Further details on the adoption and application of IFRS are provided in the Company's Management's Discussion and Analysis and in the notes to our unaudited condensed interim consolidated financial statements for each of the quarter ended March 31, 2011 and the quarter ended June 30, 2011.

This press release should be read in conjunction with our unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2011, and related Management's Discussion and Analysis, as at August 11, 2011. These documents can be found on the Company's website ([www.pilotgold.com](http://www.pilotgold.com)) and on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may receive a copy of the complete unaudited financial statements free of charge upon request.

The National Instrument 43-101 technical reports prepared by Ian R. Cunningham-Dunlop, P. Eng. and VP Exploration and Chief Operating Officer, Pilot Gold (formerly VP Exploration, Fronteer Gold Inc.) entitled "NI 43-101 Technical Report on the TV Tower Exploration Property, Canakkale, Western Türkiye," dated February 15, 2011 (amended June 7, 2011), and the National Instrument 43-101 technical report entitled "NI 43-101 Technical Report on the Halilaga Exploration Property, Canakkale, Western Türkiye," dated February 15, 2011 (amended June 7, 2011), respectively, are both available under Pilot Gold's SEDAR profile at <http://www.sedar.com>.

For further details on the Fronteer Arrangement refer to the Company's Amended Annual Information Form ("AIF") for the year ended December 31, 2010 dated May 12, 2011 (Amended June 7, 2011), available under Pilot Gold's SEDAR profile at <http://www.sedar.com>.

Except for the statements of historical fact contained herein, certain information presented constitutes "forward-looking information" within the meaning of applicable Canadian securities laws. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking information, including, but not limited to, information with respect to exploration results, the timing and success of exploration activities generally, permitting timelines, government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, potential quantity and/or grade of minerals, potential size of mineralized zone, potential expansion of mineralization, potential type of mining operation, timing and possible outcome of any pending litigation, timing and results of future resource estimates or future economic studies and the timing and results of any future development programs involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Pilot Gold to be materially different from any future results, performance or achievements expressed or implied by such forward looking information. Such factors include, among others, risks related to the interpretation and actual results of current exploration and development activities; changes in project parameters as plans continue to be refined; current economic conditions; future prices of commodities; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors discussed in the section entitled "Risk Factors" in the Company's AIF, which is available under Pilot Gold's SEDAR profile at [www.sedar.com](http://www.sedar.com). Although Pilot Gold has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Pilot Gold disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Accordingly, readers should not place undue reliance on forward-looking information.